United Nations S/2006/329

Security Council

Distr.: General
25 May 2006

Original: English

Letter dated 23 May 2006 from the Chairman of the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism, addressed to the President of the Security Council

The Counter-Terrorism Committee has received the attached fifth report from Yemen, submitted pursuant to paragraph 6 of resolution 1373 (2001) (see annex). I should be grateful if you would arrange for the present letter and its annex to be circulated as a document of the Security Council.

(*Signed*) Ellen Margrethe **Løj**
Chairman
Security Council Committee established pursuant to
resolution 1373 (2001) concerning counter-terrorism

06-36643 (E) 190606 210606

Annex

Note verbale dated 19 May 2006 from the Permanent Mission of Yemen to the United Nations addressed to the Chairman of the Counter-Terrorism Committee

The Permanent Mission of the Republic of Yemen to the United Nations presents its compliments to the Chairman of the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism and has the honour to submit herewith the fifth report of the Government of the Republic of Yemen.

Also enclosed are the following documents:

1. Act No. 12 of 1994 on crimes and penalties
2. Act No. 24 of 1998 on prosecuting kidnapping and banditry
3. Act No. 13 of 1994 on prosecutorial procedures
4. Act No. 35 of 2003 on combating money-laundering
5. Republican Decree No. 159 of 2004 the establishment of a General Directorate on Combating Terrorism and Crime within the Ministry of the Interior
6. Cabinet Decision No. 247 of 2005 on combating money-laundering
7. Recommendation of the National Forum on Terrorist Financing (held in Sana'a, 6 to 8 March 2006)
8. Cabinet Decision No. 248 of 2005 approving the draft republican decree on the issuance of implementing regulations for Act No. 35 of 2003 on combating money-laundering
9. Memorandum of understanding between the Ministry of the Interior and the Office of the United Nations High Commissioner for Refugees on the opening of six centres to register Somali refugees
10. Central Bank Circular No. 22008 of 9 April 2002 issued to banks and bureaux de change, on "suspicious money"
11. Decision No. 48 of 2003 of the Governor of the Central Bank on the establishment of a unit for gathering intelligence on money-laundering
12. Communiqué of the Ministerial Troika of the Organization of the Islamic Conference

Enclosure*

[Original: Arabic]

Fifth report of the Government of the Republic of Yemen, providing its responses to the questions contained in the note of the Chairman of the Security Council Committee established pursuant to resolution 1373 (2001)

1. Implementation measures

Criminalization of the financing of terrorism and protection of the financial system

1.1 The Committee takes note of Yemen's response regarding criminalization of the financing of terrorism (fourth report, p. 3). However, although Yemen explains that funds intended for the commission of terrorist acts such as kidnapping, hijacking and hostage-taking need not be the product of illicit acts or money-laundering, article 3 of Act No. 35 (2003) criminalizes only funds arising from illegal sources. The Committee therefore reiterates that Yemen's legislation is not sufficient to effectively implement paragraph 1 (b) of resolution 1373 (2001) and urges Yemen to revisit its national legislation on this matter, particularly in light of question 1.2 of the Committee's letter dated 27 June 2003 (AC.40/2003/MS/OC.285) and question 1.1 of the Committee's letter dated 20 September 2004 (S/AC.40/2004/MS/OC.436).

Response to paragraph 1.1

With regard to the question of reviewing article 3 of Act No. 35 (2003), on combating money-laundering, the Yemeni Government, at its session held on 2 August 2005, agreed on the preparation of a uniform draft act on combating money-laundering and the financing of terrorism. The act will provide for the criminalization of any funds intended for the commission of terrorist acts, whether such funds are derived from lawful or unlawful sources. In this connection, the Anti-Money-Laundering Committee requested technical and legal assistance in the areas of training and legislation from the appropriate international quarters, including the Vienna-based United Nations Office on Drugs and Crime (UNODC), with a view to the preparation of the uniform act in keeping with international principles and criteria for combating money-laundering and terrorist financing.

1.2 The Committee notes that Yemen is a party to eight of the international counter-terrorism conventions and protocols and that the remaining instruments are under consideration by Parliament (fourth report, p. 3). Please provide a progress report on Yemen's becoming a party to the following remaining conventions:

- **The Convention on the Physical Protection of Nuclear Material (1979);**

* Attachments are on file with the Secretariat and are available for consultation.

- **The Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation (1988);**
- **The Convention on the Marking of Plastic Explosives for the Purpose of Detection (1991); and**
- **The International Convention for the Suppression of the Financing of Terrorism (1999).**

Response to paragraph 1.2

Yemen is a party to nine of the international agreements and protocols on combating terrorism, including the 1988 Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation. However, the instrument of accession to that Protocol was erroneously deposited with the Secretary-General of the United Nations in New York. Therefore, the Ministry of Foreign Affairs, through the Permanent Mission of the Republic of Yemen to the United Nations in New York, sent a note to the United Nations Secretariat requesting that the instrument of accession to the Protocol be forwarded to the Secretary-General of the International Civil Aviation Organization (ICAO) in Montreal, the Depositary of the said Protocol.

The steps taken towards Yemen's becoming a party to the three remaining agreements can be summarized as follows:

(1) The 1979 Convention on the Physical Protection of Nuclear Materials has been referred by the Government to the House of Representatives (Committee on Legal Constitutional Affairs) for study, together with a request for its ratification;

(2) The 1991 Convention on the Marking of Plastic Explosives for the Purpose of Detection has been referred by the Government to the House of Representatives (Defence and Security Committee and Committee on Legal Constitutional Affairs), together with a request for its ratification;

(3) The 1999 International Convention for the Suppression of the Financing of Terrorism has been referred by the Government to the House of Representatives (Foreign Affairs and Emigrants Committee and Committee on Legal Constitutional Affairs), together with a request for its ratification;

Government representatives took part in the meetings of the above-mentioned parliamentary committees and solutions were reached on some of the problems connected with a number of provisions contained in the agreements.

The House of Representatives will discuss these agreements as soon as possible in accordance with its agenda, which it adopts at the start of each legislative period.

1.3 The Committee is aware that a parliamentary committee has been established to study the situation of persons being detained on terrorism charges and would appreciate information on the findings of this committee.

Response to paragraph 1.3

Owing to the existence of a number of complaints from citizens and organizations concerned with human rights, both domestically and abroad, the

committee in question has been created to engage in fact-finding with regard to the situation of persons detained on terrorism-related charges. The committee has produced numerous findings and recommendations, which involve the following:

(1) An inquiry conducted by the Office of the Public Prosecutor into the issues in question, including visits to the places of detention and the legally required reporting on each case;

(2) An inquiry conducted by the Office of the Public Prosecutor into the complaints of detainees who maintain that the detentions were effected outside the framework of the rules of law and the Constitution;

(3) The requirement that the Ministry of the Interior and the Central Political Security Agency submit a report to the House on the measures they will take pursuant to these recommendations;

(4) The requirement that Ministry of Foreign Affairs follow the cases of persons detained at Guantanamo and in other countries and report to the House on the action taken in respect of them.

1.4 The Committee takes note of the explanation provided by Yemen in relation to the freezing of funds connected with money-laundering offences (fourth report, pp. 3-4) and of the predicate offences established in Act No. 35 (2003) on money-laundering. However, despite this explanation, it remains unclear whether Yemen's provisions on tracing and freezing cover funds connected to terrorist offences as Yemen explains. In light of this, the Committee would like to receive a copy of the Act No. 35 of 2003 on money-laundering and of any other relevant legislation.

Response to paragraph 1.4

With regard to the Committee's request to be provided with copies of the legislative acts on tracing and freezing funds connected with terrorist offences, enclosed herewith is a copy of Act No. 35 (2003), on combating money-laundering, as well as copies of the Code of Criminal Procedure (Act No. 13 of 1994), Act No. 24 of 1998 on combating kidnapping and banditry, and Act No. 12 of 1994 on crimes and penalties, in accordance with the request.

1.5 The Committee would welcome a progress on the status of the draft regulation for the implementation of Act No. 35 of 2003 on money-laundering. If it has been adopted, please provide a copy of the new regulation (fourth report, p. 4).

Response to paragraph 1.5

The draft implementing regulation for Act No. 35 of 2003, on money-laundering, has been prepared in its final form. It has been approved by the Council of Ministers by virtue of Council decision No. 248 of 2005 and referred to the Ministry of Legal Affairs for promulgation by a republican decree. The Committee will be provided with a copy of the regulation once it has been promulgated.

1.6 The Committee notes (fourth report, p. 4) that a decision has been taken to establish a Counter-Terrorism and Anti-Money Laundering Department

under the Ministry of Interior and would like to receive an outline of the functions of this Department.

Response to paragraph 1.6

The terms of reference of the General Directorate on Combating Terrorism and Organized Crime, placed under the Ministry of the Interior, are defined in accordance with Decree No. 159 of 2004, concerning its creation, as follows:

- Planning for combating terrorism and organized crime;
- Planning for combating crimes of falsification and counterfeiting of currency, credit cards, passports, identity cards and other documents;
- Receipt of information on terrorist offences and organized crimes;
- Coordination with the competent authorities in fellow Arab and other friendly States in accordance with the regulations and laws in force and the conventions to which the Yemeni Government is a party;
- Tracking, in coordination with the competent authorities, of criminals and persons suspected of being involved in matters of terrorism and organized crime.

A copy of the above-mentioned decision is attached hereto.

1.7 The Committee notes that the Central Bank issues instructions on reporting by Yemen's banks (second report, p. 3). Do banks report only on the financial transactions of persons whose names appear on lists communicated to them by the Central Bank, or do they also report on all transactions suspected of being linked with the financing of terrorism? Are intermediaries such as lawyers, notaries and accountants also subject to a reporting obligation? Are there penalties for failure to comply with this obligation?

Response to paragraph 1.7

As for the instructions which Yemeni banks are required to follow in reporting suspicious transactions, the requirement for the financial institutions concerned, including banks and bureaux de change, is to apply the Anti-Money-Laundering Act, reporting to the Money-Laundering Intelligence Unit within the Central Bank of Yemen any activity aimed at money-laundering or terrorist financing if they find evidence confirming that to be the case. It is clear from this that reporting relates to all suspicious financial transactions, both those that involve persons whose names are included in the lists forwarded by the Central Bank to Yemeni banks and other transactions, whenever suspicion exists.

Regarding intermediaries such as accountants, article 50 of Act No. 26 of 1999, on the accounting and auditing profession, requires accountants to report all unlawful acts detected by them in the performance of their duties.

1.8 How many suspicious transaction reports (STRs) were received by the Central Bank or by other competent authorities? How many STRs were analysed and disseminated and, of these, how many have led to investigations, prosecutions or convictions?

Response to paragraph 1.8

Suspicious transaction reports, if any exist, are received by the Central Bank via the Money-Laundering Intelligence Unit established under Decision No. 48 of 2003 of the Governor of the Central Bank of Yemen. The unit analyses such reports, goes into the field to ascertain the facts of the matter and deals with such cases in accordance with the law.

1.9 The Committee notes that the Anti-Money Laundering Committee has began its work and would like to receive an outline of its functions and whether it conducts the core functions of a financial intelligence unit (collecting reports of suspicious transactions from financial institutions, analyzing them and disseminating information to the competent authorities).

Response to paragraph 1.9

As set forth in Act No. 35 of 2003 on combating money-laundering, the functions of the Anti-Money-Laundering Committee are as follows:

(1) To prepare anti-money-laundering regulations and procedures and submit them to the Prime Minister for approval in accordance with the law;

(2) To establish and approve the rules of procedure governing the work of the Committee;

(3) To coordinate and facilitate the exchange of information among the bodies represented on the Committee;

(4) To organize symposiums and workshops on money-laundering;

(5) To represent the Republic of Yemen in international forums on combating money-laundering.

Upon the approval of the judiciary, the Committee may comply with an official request from a judicial authority in any other State by providing it with information on a transaction defined in a request pertaining to money-laundering, provided that there exists a bilateral agreement governing such matters. Under the law, the Committee may also, on the basis of a final judicial decision handed down in another State, apply to the Yemeni judicial authorities to monitor, freeze or sequestrate funds, property or proceeds connected with money-laundering offences under an agreement governing such matters.

It should be pointed out that the Anti-Money-Laundering Committee does not perform the core functions of a financial intelligence unit because such functions come within the purview of the Money-Laundering Intelligence Unit of the Central Bank of Yemen, as mentioned above, in the response to paragraph 1.8.

In accordance with Council of Ministers Decision No. 247 of 2005, a unit has also been created within the Ministry of Foreign Affairs for coordination among the various bodies that deal with issues of money-laundering, terrorist financing and counter-terrorism, through which contact with foreign authorities takes place.

1.10 The Committee takes note of the procedures and laws governing the remittance system (second report, p. 5) and would appreciate further clarification concerning:

- **The licensing, registration and auditing regulations for alternative remittance systems;**
- **The number of violations discovered and the steps taken (if any) to enhance the regulatory framework for alternative remittance systems;**
- **The measures in place to regulate cross-border cash couriers.**

Response to paragraph 1.10

As far as remittance systems are concerned, banks and money-changing companies in Yemen effect local and international transfer operations by means of the electronic and accounting systems used worldwide. In transferring funds they comply with Central Bank directives on keeping records, knowing the customer and reporting suspicious transactions. In addition, licensed bureaux de change carry out some transfer operations in accordance with the Exchange Act and Central Bank directives. The activities of such companies are inspected periodically with a view to ensuring compliance with the principal anti-money-laundering and counter-terrorism requirements.

With regard to cash remittances, bearers of cash, especially banks and money-changers, are permitted to send abroad amounts of money on the basis of official permits from the Central Bank of Yemen, after declarations and attestations have been given and the object of the remittance has been ascertained. In the case of cash carriers who are individuals, a permit must have been obtained from the Central Bank of Yemen if the amount to be carried is greater than 10,000 dollars.

The Central Bank has addressed a banking circular to all banks, companies and bureaux de change in Yemen to carry out investigations whenever 10,000 dollars or more are transferred abroad, requesting full particulars concerning both the transferor and the transferee. Moreover, foreign companies receiving such remittances also conduct investigations of the sums in question, their sources and their purpose in accordance with the national legislation in force in the country where the receiving company is domiciled.

As for domestic transfers, local banks and approved bureaux de change take additional precautions to ensure the monitoring and verification of transfers of sums greater than 10,000 dollars.

Attached hereto is a copy of the directives of the Central Bank of Yemen addressed to the banks and exchange establishments included in circular No. 22008, issued on 9 April 2002.

1.11 The Committee takes note of Act No. 1 (2001) on non-governmental associations and institutions (second report, p. 3) and would like to know whether non-governmental organizations, including charitable organizations, are subject to independent auditing.

Response to paragraph 1.11

All non-governmental organizations, including grass-roots charitable organizations, are considered entities subject to auditing by the Central Organization for Control and Auditing (COCA) under Act No. 39 of 1992 (COCA Act) and the

related implementing regulation. In this connection, the following clarifications may be provided:

(1) Article 6 of the said Act defines the entities subject to control by COCA, including, under subparagraph (d), subsidized units;

(2) Article 2 (f) of the COCA Act defines subsidized units as:

> Cooperatives of public utility, unions and professional associations, miscellaneous popular organizations and any organization to which the State provides a subsidy or assistance in cash or in kind or any other benefit;

(3) Article 7 (l) defines the competency of COCA for auditing public financial statements and the final accounts of subsidized units with a view to ascertaining their accuracy. Paragraph (j) of the same article refers to the auditing of grants, donations and contributions from or to local or foreign organizations to make certain that they are in conformity with the laws, regulations and decisions in force and in compliance with accepted principles and with the terms and conditions of contracts, agreements and conventions that relate to them;

(4) Article 22 of the implementing regulation of the COCA Act empowers COCA to appoint auditors and fix their remuneration whenever it is deemed appropriate to have recourse to them in any subsidized unit.

Act No. 1 of 2001 grants the Ministry of Social Affairs and Labour and its offices in the Capital Secretariat and the governorates broad legal powers for the exercise of legal supervision and control over the circumstances and activities of non-governmental associations and institutions. It also prohibits any such association or institution from obtaining any Yemeni assistance or funds from abroad from any alien or any foreign entity and from transmitting any of the above to persons or organizations outside Yemen for humanitarian purposes unless it be with the knowledge of the Ministry of Social Affairs and Labour.

Article 24 (b) of the implementing regulation of the Non-Governmental Associations and Institutions Act (Act No. 1 of 2001) provides:

> The accounts of any association/institution whose capital is greater than 1 million rials yearly must be audited by a certified independent legal accountant ... etc.

In addition, the coordination mechanism between the Ministry of Social Affairs and Labour and COCA sends lists of associations and institutions (including charitable associations) to the office of the head of COCA and to the department in charge of the examination and auditing of the accounts of cooperative and non-governmental units in order for those lists to be included in the yearly plans of COCA with a view to putting an end to any deviations from the stated purposes of such associations.

Non-governmental associations and institutions in Yemen, moreover, keep financial and accounting books and records and in many of them there are independent financial units that manage financial tasks and an elected financial officer who oversees financial activities. The Government assists in the training of such financial units.

Non-governmental associations and institutions, through the financial units, automatically submit a yearly report on their financial accounts to the Ministry of Social Affairs and Labour or one of its offices at the time when they apply for renewal of their yearly registration certificate.

The Ministry of Social Affairs and Labour also learns about the financial circumstances of non-governmental associations and institutions through its periodic field surveys. By means of the questions on the survey questionnaire, information is obtained concerning, on the one hand, the extent to which there exist independent financial accounts, a financial comptroller and orderly financial affairs and, on the other hand, the genuineness of disbursements and their consistency with the goals of the non-governmental association or institution. The associations concerned are informed of the results of the survey and the degree of correctness of their financial procedures.

The Central Bank of Yemen has also adopted precautionary procedures with regard to the opening and management of accounts of cooperative and local civil-society institutions and organizations as well as charitable and social institutions with banks operating in Yemen. This has been done in collaboration with the Ministry of Social Affairs and Labour and is based on Circulars No. 33989, of 1 June 2002, and No. 91737, of 24 November 2004. The Central Bank of Yemen, through its inspectors, conducts periodic checks of the compliance of banks with the procedures in question, thus preventing such institutions from being used for money-laundering or terrorist financing operations.

Despite the enormous efforts made by the Yemeni Government in the financial monitoring of the accounts of such associations and institutions, the fact that they have proliferated requires further strengthening of the auditing role of the administrative authority and the establishment of a full-blown financial unit with a view to ensuring that adequate financial specialists and the necessary financial capabilities are available. This will require support and assistance on the part of the international community through international organizations and agencies concerned with counter-terrorism.

1.12 Regarding the effective implementation of paragraph 1 (a) of resolution 1373 (2001), does Yemen train its administrative, investigative, prosecutorial and judicial authorities in enforcement of the legislation on:

- **Terrorist financing investigation techniques; and**
- **Techniques for tracing assets that are the proceeds of crime or are intended to be used to finance terrorism and for ensuring that such property is seized, frozen or confiscated.**

Please describe any relevant programmes or courses. What mechanisms does Yemen have in place to educate its various economic sectors on the detection of suspicious and unusual transactions related to terrorist activities and to prevent the movement of illicit funds?

Response to paragraph 1.12

Administrative, investigative, prosecutorial and judicial authorities are prepared and trained in the enforcement of national legislation and the provisions of the conventions on counter-terrorism to which Yemen is a party by means of training

courses at the Higher Judicial Institute, placed under the Ministry of Justice, as well as through the holding of various scientific seminars, meetings and symposiums on the subject, which qualify them to perform their duties in their places of work.

Representatives of the Ministries of Foreign Affairs, Justice and the Interior, the Office of the Public Prosecutor and the Central Bank took part in a national symposium on combating terrorist financing, organized by the Ministry of the Interior jointly with UNODC and held in Sana'a from 6 to 8 March 2006. At the symposium, a number of lectures were delivered on the investigation of terrorist financing.

The Central Bank of Yemen also holds a number of training courses and workshops relating to combating money-laundering and terrorist financing. The aim is to raise the level of awareness of the dangers of such crime and to seek to combat it. The Bank has, for example, held a number of courses jointly with the Union of Arab Banks and the United Nations Office at Vienna on the subject of measures to combat money-laundering and terrorist financing. The first took place in 2002 and was followed, in 2003, by two workshops on combating money-laundering and terrorist financing, held in Sana'a and Aden, respectively. A series of symposiums on money-laundering operations and the phenomenon of terrorism were held in the lecture hall of the Central Bank of Yemen, in which specialists from international and regional institutions and university professors were invited to participate. In addition, in January 2005 the services of The Arab Investment Company were called upon to organize courses on consciousness-raising in this field.

The Yemen Institute of Banking Studies, moreover, has been instructed to hold training courses on combating money-laundering and terrorist financing in a number of governorates and to adopt the subject as part of the Institute's plan, in order that it may be taught periodically.

Also, the Central Bank relies in its training plans on participation in regional and Arab anti-money-laundering and anti-terrorist-financing conferences, symposiums and workshops sponsored by the Arab Monetary Fund in Abu Dhabi. It sends specialists to participate in those activities and learn about relevant global technologies. The Central Bank offers opportunities for the participation of various sectors and specialists in those fields, and administrative, investigative, prosecutorial and judicial authorities are invited to partake in these activities.

Effectiveness of international cooperation in criminal matters

1.13 Yemen has decided to take steps towards the adoption of new domestic legislation on judicial cooperation and mutual legal assistance with States to which it is not bound by any bilateral treaty, including the draft extradition act. The Committee would appreciate an update on the adoption of this draft act and of any other domestic legislation relating to judicial cooperation and mutual legal assistance pursuant to the relevant Security Council resolutions (fourth report, p. 5).

Response to paragraph 1.13

With regard to the adoption of the draft act on the extradition of offenders, it should be pointed out that the Republic of Yemen is awaiting receipt of the draft

uniform Arab convention on extradition currently being prepared and will be guided by it in the preparation of the Yemeni draft act on extradition.

There currently exist bilateral agreements in force on judicial cooperation that include provisions on the extradition of criminals and have been entered into by Yemen with a number of States. After being ratified, they are considered an inseparable part of the domestic legislation of Yemen, which is bound by them as constituting the legal basis of the extradition of criminals.

As for multilateral agreements, Yemen is a party to the uniform Arab Convention on Judicial Cooperation and is bound by all its provisions.

1.14 The Committee takes note of the offences established in Book Two, special part, Chapter 1 of the Penal Code (Act No. 12 of 1994) concerning non-political offences. Does domestic law establish other offences which correspond to those covered by the international counter-terrorism instruments to which Yemen is a party, and which are thus excluded from the non-political offence exception?

Response to paragraph 1.14

There are a number of local laws that provide for other offences that correspond to those covered by the international counter-terrorism instruments, first and foremost the Banditry and Kidnapping Act and the Anti-Money-Laundering Act, to which reference has been made in earlier reports as well as in the present one.

1.15 The Committee would appreciate information on the measures in place to scrutinize and screen applicants for asylum and refugee status.

Response to paragraph 1.15

Refugees coming from the Horn of Africa are registered at registration centres. Registration is done in cooperation with the Office of the United Nations High Commissioner for Refugees (UNHCR) and the screening of applications for refugee status takes place in personal interviews and through inquiries about the nationality of the refugees. Refugee status is determined in accordance with the criteria defined in the 1951 Convention and the Protocol annexed to it.

Despite the economic difficulties that face the country, Yemen meets its international obligations in respect of refugees and a genuine partnership exists between Yemen and UNHCR. On 4 July 2005 a memorandum of understanding was signed between the UNHCR office and the Ministry of the Interior, represented by the Department of Immigration, Passports and Citizenship, for the establishment of a number of registration centres in six Yemeni governorates. It should be pointed out that Yemen and UNHCR suffer from the inadequate support offered them in this area.

1.16 Is there a method for communicating alerts for wanted or suspected terrorists to immigration authorities at various points of entry? Does this method include the information of the International Criminal Police Organization (Interpol)?

Response to paragraph 1.16

Alerts for wanted or suspected terrorists are communicated to the Department of Immigration, Passports and Citizenship via the computer network connected with airports, seaports and points of entry and the International Criminal Police Organization (Interpol) is informed regarding wanted terrorists.

1.17 Does Yemen have equipment or trained personnel in place to determine whether suspect travel documents are counterfeit, altered or stolen?

Response to paragraph 1.17

There is no sophisticated equipment at airports and points of entry for determining whether suspect travel documents are counterfeit or altered. In case of suspicion, the documents are submitted to the crime laboratory. As for stolen passports, information concerning them is circulated to airports, seaports, entry points and Yemeni embassies and consulates abroad.

There is also what is known as the "black list": when the Department of Immigration, Passports and Citizenship is informed of falsified or stolen passports, a related circular is sent to the border control at entry/exit points, which are connected with the information systems administration in the Department and its branches.

2. Implementation of resolution 1624 (2005)

Operative paragraph 1

2.1 What measures does Yemen have in place to prohibit by law and to prevent incitement to commit a terrorist act or acts? What further steps, if any, are under consideration?

Response to paragraph 2.1

In this connection it may be pointed out that the Council of Arab Ministers of Justice has decided to amend article 1, paragraph 3, of the Arab Convention for the Suppression of Terrorism, signed on 22 April 1998, which now provides:

> A terrorist offence is any offence or attempted offence committed in furtherance of a terrorist objective in any Contracting State, or against the property or interests of such a State or against the nationals thereof or their property, that is punishable under the domestic law thereof, or incitement to terrorist offences or the promotion or approbation thereof or the printing, dissemination or possession of writings, printed materials or recordings, regardless of their nature, if they have been prepared for distribution or for viewing by others and include promotion or approbation of such offences. The offering or collection of funds, irrespective of their nature, for the financing of terrorist offences, in the knowledge that such is the case, is also considered a terrorist offence.

Yemen, which is a party to the Convention, is currently in the process of completing the constitutional formalities for ratification of the amendment to the said Convention.

As for further steps for dealing with incitement to commit terrorist acts, they are taken up in paragraph 2.5.

2.2 What measures does Yemen take to deny safe haven to any persons with respect to whom there is credible and relevant information giving serious reasons for considering that they have been guilty of incitement to commit a terrorist act or acts?

Response to paragraph 2.2

Yemen has adopted numerous measures to prevent perpetrators of terrorist acts or acts of incitement to commit a terrorist act or terrorist acts from entering or residing in its territory. They involve bilateral cooperation with friendly States, both Arab and non-Arab, and the exchange of information on such persons with States with which Yemen has concluded bilateral agreements or States that have ratified the Arab Convention for the Suppression of Terrorism. Moreover, Yemen does not permit aliens to enter its territory without having first obtained an entry visa from its embassies or consulates in the home country of such persons, with the exception of nationals of certain States, namely those of North America, the European Union and the Gulf Cooperation Council and some other countries on the basis of bilateral agreements signed with them, to whom the Department of Immigration, Passports and Citizenship and its branches in the governorates are authorized to grant entry visas at airports, seaports and other entry points.

Operative paragraph 2

2.3 How does Yemen cooperate with other States in strengthening the security of its international borders with a view to preventing those guilty of incitement to commit a terrorist act or acts from entering their territory, including by combating fraudulent travel documents and, to the extent attainable, by enhancing terrorist screening and passenger security procedures?

Response to paragraph 2.3

Such cooperation consists at present in bilateral cooperation with friendly States, both Arab and non-Arab, and is based on security cooperation agreements concluded between Yemen and a number of those States, especially those which are its geographical neighbours.

The competent authorities in Yemen take the necessary steps for entering, at airports as well as land and sea entry/exit points, the names of persons concerning whom information has been obtained from the CTC or from Interpol reports, with a view to preventing them from entering Yemen.

Operative paragraph 3

2.4 What international efforts is Yemen participating in or considering participating in/initiating in order to enhance dialogue and broaden understanding among civilizations in an effort to prevent the indiscriminate targeting of different religions and cultures?

Response to paragraph 2.4

The Republic of Yemen considers dialogue a fundamental principle for coping with the challenges of extremism, terrorism and conflicts. On that basis it seeks to strengthen the values of dialogue and mutual understanding between civilizations and cultures, starting with the principles of the True Religion of Islam, which calls for mutual recognition and harmony among peoples. Yemen took the initiative of holding two conferences on the dialogue of civilizations, in 2003 and 2004, respectively, in which both Arab and Western thinkers and men and women of letters participated, including the world-renowned writer Günter Grass, winner of the Nobel Prize. Yemen, which also participates in international conferences and symposiums devoted to strengthening the dialogue among civilizations, submitted to the President of the current session of the United Nations General Assembly, on behalf of the Group of Islamic States, in its capacity as current chair of the Conference of Ministers for Foreign Affairs of the States of the Organization of the Islamic Conference (OIC), a proposal to add a paragraph to the text of the operative portion of the draft resolution on the establishment of the Human Rights Council making it a criminal offence to attack religions and sacred objects and places and forbidding outrages against them and against their symbols. This took place in the wake of the tension that arose in various regions of the world as a result of the offensive pictures of the Prophet Muhammad (may God bless him and grant him peace) published by a Danish newspaper, and a paragraph containing the Yemeni proposal was adopted in the preamble to the said resolution.

Yemen also chaired the meeting of the OIC Troika held in Jeddah on 15 March 2006, which discussed that question, and the communiqué issued by the meeting referred, in its paragraph 8 (c), to the effective utilization of the Organization of the Islamic Conference-European Union Joint Forum and also the Alliance of Civilizations with a view to fostering dialogue and mutual understanding among cultures and civilizations.

2.5 What steps is Yemen taking to counter incitement of terrorist acts motivated by extremism and intolerance and to prevent subversion of educational, cultural and religious institutions by terrorists and their supporters?

Response to paragraph 2.5

The steps taken by Yemen to counter incitement to commit terrorist acts motivated by extremism and fanaticism and to prevent subversion of educational, cultural and religious institutions by terrorists and their supporters can be described as follows:

In the area of education

(1) Both the public education curriculum and the related administration are standardized under the supervision and guidance of the Ministry of Education;

(2) Under Yemeni law, religious education is considered specialized education;

(3) Study curricula emphasize respect for religions and embody a middle-of-the-road approach of moderation;

(4) All schools that operate outside the Education Act are shut down;

(5) A programme of familiarization with international humanitarian law is being carried out in a sampling of the Republic's schools in coordination with the International Committee of the Red Cross;

(6) The teacher training programme, which has benefited 60,000 teachers, both men and women, is focused at all times on the need to respect scholars, appreciate learning and respect cultures and their role in the scientific and cultural advancement of humankind;

(7) It is not permitted in the schools of the Republic to engage in any practices, give talks or put up posters that go against the Constitution or fundamental national values;

(8) Consciousness-raising activities are promoted that help to instil democratic values in young people, teach them to practise tolerance, steer them away from pitfalls and implant in them the principle of moderation and acceptance of others;

(9) A circular is issued to governors and directors of education offices in the governorates to dedicate the first class on the first day of every school year to creating awareness of the importance of a democratic attitude if peoples are to enjoy stability. The second class on the same day is set aside for free and direct balloting for the election of class presidents to provide a Yemeni model of the democratic experience in the educational field that embodies democratic education in the classroom, including the need to supervise the process;

(10) Civics and physical education are taught in all institutes of learning, both government-run and private, in accordance with a standard curriculum established by the Ministry of Education.

In the area of religion and culture

(1) For some time, courses, symposiums and workshops have been organized for targeted preachers in mosques and spiritual guides. Considerable strides have been made in that area, involving the targeting of nearly 7000 preachers and male spiritual guides and nearly 1000 women spiritual guides. All these events focused on terrorism, its dangers and ways to protect oneself against it, as well as on religious sermons characterized by the moderation introduced by the True Religion and religious tolerance. They yielded excellent results;

(2) Religious programmes are prepared on the basis of collaboration between television and radio and the guidance sector of the Ministry of Waqfs with a view to spreading values of religious tolerance and criticizing extremism;

(3) A number of fatwas have been issued by the Association of Ulama of Yemen on the rejection of extremism, intransigence and terrorism;

(4) Dialogues and encounters are organized with a group of extremist youths in prisons with a view to steering them towards Islam's principles of tolerance and convincing them to shun excess and extremism in religion. This experiment has yielded excellent results.

Operative paragraph 4

2.6 What is Yemen doing to ensure that any measures taken to implement paragraphs 1, 2 and 3 of resolution 1624 (2004) comply with all of its obligations under international law, in particular international human rights law, refugee law, and humanitarian law?

Response to paragraph 2.6

Yemen seeks to ensure that the procedures and measures adopted pursuant to paragraphs 1, 2 and 3 of Security Council resolution 1624 (2005) are in compliance with international law and the conventions and treaties Yemen has ratified, especially conventions pertaining to international human rights law, refugee law, and international humanitarian law. It has taken pains to organize symposiums and workshops for law enforcement authorities in order to create awareness of human rights and as an embodiment of Yemen's concern with human rights, it has created a Ministry of Human Rights.

3. Assistance and guidance

3.1 The Committee wishes to emphasize once more the importance that it attaches to the provision of assistance and advice in connection with the implementation of the resolutions. The Committee's Directory of Assistance (www.un.org/sc/ctc) is frequently updated to include new relevant information on available assistance. The Committee takes note of the fields of technical assistance requested previously by Yemen to the Committee and is pleased to inform Yemen that its requested assistance has been brought to the attention of potential technical assistance providers through the Committee Matrix.

Response to paragraph 3.1

Yemen expresses its appreciation to the Committee for bringing to the attention of potential technical assistance providers the fields of technical cooperation and assistance previously requested from the Committee by Yemen.

3.2 The Committee notes that Yemen is in contact with the International Monetary Fund (IMF) and the World Bank and would appreciate a progress report on action taken in response to the recommendations contained in paragraph 2.4 of the Committee's letter dated 20 September 2004 (S/AC.40/2004/MS/OC.436).

Response to paragraph 3.2

The International Monetary Fund and the World Bank in cooperation with the Middle and East North Africa Financial Action Task Force (MENAFATF) have prepared a technical assistance form. The form has been filled in, indicating the technical assistance needed by Yemen in the fields of legislation and training, and sent to IMF and the World Bank. In addition, a bilateral meeting with Yemen took place with IMF and the Bank on the sidelines of the second plenary meeting, held by MENAFATF in Beirut in September 2005, on technical assistance. Yemen participated in the trainer training session organized by the World Bank in Cairo in

cooperation with the Egyptian Institute from 2 to 6 April 2006. IMF and the World Bank are organizing a visit to Yemen on 16 to 18 May 2006 to offer support to the Financial Intelligence Unit (intelligence-gathering unit).

3.3 The Committee is aware that the United Nations Office on Drugs and Crime (UNODC) is organizing a national workshop in Yemen with the aim of advising the authorities on the international legal counter-terrorism framework and would welcome a report on the outcome of the workshop.

Response to paragraph 3.3

It should be pointed out in this connection that UNODC, in participation with the Yemeni Ministry of the Interior, recently held, from 6 to 8 March 2006, a national workshop in the capital Sana'a on combating the financing of terrorism, attended by 55 participants. The workshop made numerous recommendations (copy attached).

3.4 Furthermore, in light of the specific areas related to Yemen's implementation of resolution 1373 (2001), outlined in section 1 above, and based on Yemen's reports to the Committee and on the other relevant information available, the Committee, with assistance from the CTED experts, has conducted a preliminary analysis of Yemen's technical assistance needs in order to identify priority areas in which the Committee believes Yemen may benefit from receiving technical assistance. With the agreement of and in cooperation with the Government of Yemen, the aim is to identify the best possible way for Yemen to benefit from technical assistance in order to strengthen its implementation of the provisions of this resolution.

Response to paragraph 3.4

Yemen considers that the best way for it to benefit from technical assistance is to be provided with the necessary training both locally and abroad for persons employed in the area of law enforcement, as mentioned in the response to paragraph 3.5.

3.5 The analysis identified, on a preliminary basis, the following potential areas of assistance needs, with the understanding that further assessments may be necessary. The points below represent selected areas, amongst the areas referred to in the resolutions, where assistance might be particularly useful:

- **Adoption of legislation specifically criminalizing the provision or collection of funds with the intent that they should be used for terrorist acts, regardless of where the act is intended to take place and of whether it is, in fact, attempted or completed;**
- **Adoption of legislation providing for judicial cooperation in criminal matters;**
- **Introduction of measures for the freezing of funds intended to finance acts of terrorism, particularly funds of legal origin;**
- **Functioning of a financial intelligence unit (FIU);**

- **Training to enable the staff of Yemen's FIU to meet international standards;**
- **Training in terrorist financing investigation techniques;**
- **Training in money-laundering investigation techniques; and**
- **Training in border-patrol and security-investigation techniques.**

Response to paragraph 3.5

Technical-assistance requirements in the area of combating money-laundering and terrorist financing can be summarized in the following manner:

(i) Assistance with bringing national legislation into harmony with international law in the field of combating money-laundering and terrorist financing;

(ii) Training of persons specializing in the field of combating money-laundering and terrorist financing and holding of symposiums and workshops to raise the level of awareness;

(iii) Support in respect of the provision of computer hardware and software related to the fight against money-laundering and terrorist financing to the unit for gathering intelligence on money-laundering operations and qualifying those specializing in working with such hardware and software;

(iv) Provision of support in the area of exchange of experts in the advancement of work on payments systems and the monitoring of electronic financial transactions;

(v) Training in the field of investigation of terrorist financing and money-laundering operations and in the field of security investigation techniques in general;

(vi) Training in the border-guarding and coast-guard areas;

(vii) Training for persons employed at airports and land and sea entry/exit points and the provision of the equipment needed by them.

3.6 The Committee would like to receive your country's approval to share the above-mentioned points with donor States and organizations that may be in a position to provide assistance in these selected areas (other parts of this letter will not be shared). This would enable the Committee to facilitate the provision of technical assistance. The Committee would appreciate receiving your country's response no later than 30 days from the date of this letter. If your country's response is not received within that period, the Committee will assume that the points could be shared with the donor States and organizations. The actual provision of assistance will naturally be subject to Yemen's request and consent. The Committee would also welcome any comments Yemen may have regarding this section (section 3 on 'assistance and guidance').

Response to paragraph 3.6

Yemen deems it sufficient at present to request technical support from international organizations whose work is connected with the fight against terrorism and terrorist financing.

4. Further guidance and submission of further report

4.1 The Committee wishes to maintain the constructive dialogue it has established with Yemen in relation to measures it is taking to implement the resolutions, in particular with regard to the areas identified in this letter as a priority. The Committee and its Executive Director stand ready to provide further clarification to Yemen on any of the matters raised in this letter. The Executive Director can be contacted through Ms. Elena Rigacci Hay (telephone: +1 212 457 1733; fax: +1 212 457 401; email: rigaccihayun.org). In addition, the Committee, through its Executive Directorate, may contact Yemen's competent authorities to discuss any further matters related to the implementation of the resolutions.

Response to paragraph 4.1

Yemen welcomes constructive dialogue with the CTC with regard to measures taken to implement the Security Council resolutions on counter-terrorism and will continue its contacts with the Committee and its Executive Director.

4.2 The Committee would be grateful to receive from Yemen further information on the questions and comments raised in sections 1 and 2 of this letter by 2 December 2006. Moreover, the Committee would be grateful if Yemen would provide it with an update on assistance it has received, or is in the process of receiving, including on whether such assistance has satisfied, or is expected to satisfy, Yemen's needs related to the resolutions. As with previous reports, it is the intention of the Committee to circulate the further report as a document of the Security Council. It is open to Yemen, if desired, to submit a confidential annex to the report for the attention of the Committee and its Executive Directorate alone.

Response to paragraph 4.2

The assistance provided has not satisfied Yemen's needs. The basic needs have been defined in the response to paragraph 3.5.

4.3 The Committee may, in a future stage of its work, have further comments or questions for Yemen arising from other aspects of the resolutions. It would be grateful to be kept informed of all relevant developments regarding the implementation of the resolutions by Yemen.

Response to paragraph 4.3

Yemen is ready to inform the Committee of any relevant developments in this regard.